



Interim Financial Statements

**For the three months ended
31 March 2016**

RTG MINING INC.

Level 2, 338 Barker Road, Subiaco WA 6008

Website: www.rtgmining.com

**NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS**

The interim financial report for RTG Mining Inc. ("RTG" or the "Company") is a general purpose condensed financial report which has been prepared in accordance with the requirements of International Accounting Standard 34 ("IAS 34") as issued by the International Accounting Standards Board. The consolidated financial statements have also been prepared on a historical cost basis and are presented in United States Dollars (US\$). These financial statements are the responsibility of management and have not been reviewed by the auditors. The most significant accounting principles have been set out in the audited financial statements and Annual Information Form dated 30 March 2016 for the period ended 31 December 2015 and the related notes thereto. A precise determination of many assets and liabilities is dependent on future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

For further information please contact:

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CORPORATE DIRECTORY

DIRECTORS:	Michael J Carrick (Chairman) Justine A Magee David A T Cruse Robert N Scott Phil C Lockyer
SECRETARY:	Nicholas Day
REGISTERED AND PRINCIPAL OFFICE:	Level 2 338 Barker Road, Subiaco WA 6000 Telephone: +61 8 6489 2900 Facsimile: +61 8 6489 2920
BANKERS:	Westpac Banking Corporation 130 Rokeby Road Subiaco WA 6008
AUDITORS:	BDO Audit (WA) Pty Ltd 38 Station Street Subiaco WA 6008
SHARE REGISTER:	<u>Australian Register</u> Computershare Investor Services Pty Limited Level 11 172 St Georges Terrace Perth WA 6000 Telephone: 1300 557 010 or + 61 8 9323 2000 Facsimile: + 61 8 9323 2033 <u>Canadian Register</u> Computershare Investor Services Inc 100 University Ave, 11th Floor Toronto Ontario M5J2Y1 Canada Telephone: +1 416 263 9449 Facsimile: +1 416 981 9800
STOCK EXCHANGE:	Australian Securities Exchange Limited Exchange Code: RTG – Chess Depositary Interests (CDIs) Toronto Stock Exchange Inc Exchange Code: RTG – Fully paid shares

CORPORATE DIRECTORY cont.

LAWYERS:

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Level 15
Woodside Plaza
240 St Georges Terrace
Perth WA 6000

Blakes, Cassels & Graydon
Suite 2600
3 Bentall Centre
59 Burrard Street
Vancouver, B.C. Canada
V7X 1L3

K & L Gates
Level 32
44 St Georges Terrace
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WEBSITE:

www.rtgmining.com

RTG MINING INC.
CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
Unaudited - Prepared By Management

For the three months ended 31 March 2016

	Note	Consolidated Three months ended 31 March 2016 US\$	Consolidated Three months ended 31 March 2015 US\$
Continuing Operations			
Revenue	3(a)	34,823	14
Exploration and evaluation expenditure		(116,978)	(112,431)
Business development	3(b)	(171,528)	(342,173)
Foreign exchange gains/(losses)		(28,420)	(113,466)
Administrative expenses	3(c)	(545,911)	(535,268)
Share of loss of associates	3(d)	(329,196)	(194,238)
Loss from continuing operations		(1,157,210)	(1,297,562)
Income tax benefit		-	-
Loss for the period		(1,157,210)	(1,297,562)
Other comprehensive income for the period			
Exchange differences on translation of foreign operations		(92,356)	(46,148)
Total comprehensive income/(loss) for the period		(1,249,566)	(1,343,710)
Earnings per share for loss attributable to the ordinary equity holders of the company			
Basic loss per share (cents)		(0.86)	(1.30)
Diluted loss per share (cents)		(0.86)	(1.30)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

RTG MINING INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unaudited – Prepared By Management

	Note	Consolidated 31 March 2016 US\$	Consolidated 31 December 2015 US\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	3,271,121	4,561,717
Trade and other receivables		234,269	378,679
Prepayments		37,620	42,138
Total Current Assets		3,543,010	4,982,534
Non-Current Assets			
Property, plant and equipment	9	195,299	202,611
Investment in associates	10	80,174,614	80,650,232
Loans to associate		8,249,225	7,622,597
Total Non-Current Assets		88,619,138	88,475,440
TOTAL ASSETS		92,162,148	93,457,974
LIABILITIES			
Current Liabilities			
Trade and other payables		196,742	252,537
Provisions		151,704	142,169
Total Current Liabilities		348,446	394,706
TOTAL LIABILITIES		348,446	394,706
NET ASSETS		91,813,702	93,063,268
SHAREHOLDER'S EQUITY			
Issued capital	5(a)	124,708,862	124,708,862
Reserves	5(b)	3,353,215	3,445,571
Accumulated losses	5(c)	(36,248,375)	(35,091,165)
TOTAL SHAREHOLDER'S EQUITY		91,813,702	93,063,268

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

**RTG MINING INC.
CONSOLIDATED STATEMENT OF CASH FLOWS**

Unaudited – Prepared By Management

For the three months ended 31 March 2016

	Note	Three months ended 31 March 2016 US\$	Three months ended 31 March 2015 US\$
Cash flows from operating activities			
Payments to suppliers and employees		(860,708)	(1,019,194)
Interest received		1,632	14
Other receipts		33,191	-
Net cash outflow from operating activities		(825,885)	(1,019,180)
Cash flows from investing activities			
Payments for property, plant & equipment			-
Loans to associated entities		(626,628)	(771,811)
Net cash inflow/(outflow) from investing activities		(626,628)	(771,811)
Cash flows from financing activities			
Proceeds from share issues		-	8,907,009
Share issue costs		-	(762,000)
Net cash inflow from financing activities		-	8,145,009
Net increase / (decrease) in cash and cash equivalents		(1,452,513)	6,354,018
Cash and cash equivalents at beginning of the period		4,561,717	2,394,974
Reclassification of bank guarantee to restricted cash		136,614	-
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		25,303	(168,515)
Cash and cash equivalents at end of the financial period	4	3,271,121	8,580,477

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

RTG MINING INC.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited – Prepared By Management

For the three months ended 31 March 2016

	<i>Issued Capital US\$</i>	<i>Acquisition reserve US\$</i>	<i>Share based payment reserve US\$</i>	<i>Foreign currency translation reserve US\$</i>	<i>Accumulated losses US\$</i>	<i>Total US\$</i>
Balance at 1 January 2016	124,708,862	(4,300,157)	7,601,285	144,443	(35,091,165)	93,063,268
Loss for the year	-	-	-	(92,356)	(1,157,210)	(1,249,566)
Total comprehensive income /(loss) for the year	-	-	-	(92,356)	(1,157,210)	(1,249,566)
Share issues	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-
At 31 March 2016	124,708,862	(4,300,157)	7,601,285	52,087	(36,248,375)	91,813,702

For the three months ended 31 March 2015

	<i>Issued Capital US\$</i>	<i>Acquisition reserve US\$</i>	<i>Share based payment reserve US\$</i>	<i>Foreign currency translation reserve US\$</i>	<i>Accumulated losses US\$</i>	<i>Total US\$</i>
Balance at 1 January 2015	113,900,141	(4,300,157)	7,601,285	(101,433)	(25,853,389)	91,246,447
Loss for the year	-	-	-	(46,148)	(1,297,562)	(1,343,710)
Total comprehensive income /(loss) for the year	-	-	-	(46,148)	(1,297,562)	(1,343,710)
Share issues	8,907,008	-	-	-	-	8,907,008
Share issue costs	(799,638)	-	-	-	-	(799,638)
At 31 March 2015	122,007,511	(4,300,157)	7,601,285	(147,581)	(27,150,951)	98,010,107

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2016

Unaudited – Prepared By Management

1. CORPORATE INFORMATION

The interim financial report of RTG Mining Inc. (“the Company”, “RTG”, “the Group” or “the Entity”) is presented as at 31 March 2016 and for the three month period 1 January 2016 to 31 March 2016.

RTG was incorporated on 27 December 2012 and is domiciled in the British Virgin Islands. The Company’s registered address is Sea Meadow House, Blackburne Highway (PO Box 116) Road Town, Tortola, British Virgin Islands. Its shares are publicly traded on both the Australian Stock Exchange (“ASX”) and the Toronto Stock Exchange (“TSX”). On 28 March 2013, Ratel Group and RTG completed the merger (the “Merger”) of Ratel Group and Ratel Merger Ltd., a wholly-owned subsidiary of RTG. As a result, the surviving corporation formed by the Merger became a wholly-owned subsidiary of RTG.

On 15 April 2013 the restructuring transaction was fully completed along with the satisfaction of the escrow release conditions pursuant to the private placement (the “Private Placement”) of 162,538,641 subscription receipts of RTG at C\$0.13 each, raising gross proceeds in the order of C\$21.1M. As a result, the previously issued shares of Ratel Group (the “Ratel Shares”) were exchanged for shares of RTG (the “RTG Shares”) the surviving corporation formed by the Merger became a wholly-owned subsidiary of RTG; and the 162,538,641 previously issued subscription receipts were automatically converted (for no additional consideration) into 162,538,641 RTG Shares and the gross proceeds of the Private Placement, less the commission paid to Haywood Securities Inc. as agent under the Private Placement and less the fees paid to the subscription receipt agent under the Private Placement, were released to RTG. The RTG Shares began trading on the TSX under the former symbol for the Ratel Shares, “RTG”, effective as of the open of markets on April 15, 2013.

The principal activity of the Consolidated Entity during the period was mineral exploration and development.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The interim financial report is a general purpose condensed financial report which has been prepared in accordance with the requirements of International Accounting Standard 34 (“IAS 34”) using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The consolidated financial statements have also been prepared on a historical cost basis and are presented in United States Dollars (US\$).

(b) Significant accounting policies

The interim consolidated financial statements dated 31 March 2016 have been prepared using the same accounting policies contained in the audited financial statements for 31 December 2015 for RTG Mining Inc. dated 30 March 2016.

(c) New standards, interpretations and amendments

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

IFRS 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

The consolidated entity has applied Parts A to C of IFRS 2014-1 from 1 January 2015. These amendments affect the following standards: IFRS 2 ‘Share-based Payment’: clarifies the definition of ‘vesting condition’ by separately defining a ‘performance condition’ and a ‘service condition’ and amends the definition of ‘market condition’; IFRS

3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of IFRS 9; IFRS 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; IFRS 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of IFRS 9 and IFRS 139; IFRS 116 'Property, Plant and Equipment' and IFRS 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; IFRS 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity; IFRS 140 'Investment Property': clarifies that the acquisition of an investment property may constitute a business combination

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2015. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

IFRS 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of IFRS 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 January 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

IFRS 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 January 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

IFRS 16 Leases

IFRS 16 eliminates the operating and finance lease classifications for lessees currently accounted for under IFRS 117 Leases. It instead requires an entity to bring most leases onto its balance sheet in a similar way to how existing finance leases are treated under IFRS 117. An entity will be required to recognise a lease liability and a right of use asset in its balance sheet for most leases.

There are some optional exemptions for leases with a period of 12 months or less and for low value leases. The application date of this standard is for annual reporting periods beginning on or after 1 January 2019. Due to the recent release of this standard, the group has not yet made a detailed assessment of the impact of this standard.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2016

Unaudited – Prepared By Management

3. REVENUES AND EXPENSES

	3 months ended Mar 31, 2016 US\$	3 months ended Mar 31, 2015 US\$
(a) Revenues		
Interest income	34,823	14
	<u>34,823</u>	<u>14</u>
(b) Business development costs		
Travel	14,692	218,784
Employee fees	94,059	108,651
Project Analysis	14,178	5,604
Conferences	15,804	7,971
Other	32,796	1,163
	<u>171,528</u>	<u>342,173</u>
(c) Administrative expenses		
Accounting & audit fees	74,747	29,266
Employee and directors fees	259,839	278,578
Office rental	43,538	44,165
Legal fees	13,955	69,533
Listing and shareholder reporting costs	48,573	23,479
Consultants	63,566	17,257
Computer support	6,964	11,009
Depreciation	7,312	7,316
Insurance	11,943	13,584
Other	15,474	41,081
	<u>545,911</u>	<u>535,268</u>
(d) Share of loss of associate		
Share of net losses of associates	329,196	194,238
	<u>329,196</u>	<u>194,238</u>

4. CASH AND CASH EQUIVALENTS

	Mar 31, 2016 US\$	Dec 31, 2015 US\$
Cash on hand	26	25
Cash at bank	3,271,095	4,561,692
	<u>3,271,121</u>	<u>4,561,717</u>

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2016

Unaudited – Prepared By Management

5. SHAREHOLDERS EQUITY

	Mar 31, 2016 Number	Dec 31, 2015 Number
(a) Issued and paid up capital:		
Issued and fully paid shares	<u>134,252,237</u>	<u>124,708,862</u>

Movements in contributed equity during the past three months were as follows:

Ordinary Shares	Number	US\$
Opening balance at 1 January 2016	134,252,237	124,708,862
	-	-
Total shares on issue at 31 March 2016	<u><u>134,252,237</u></u>	<u><u>124,708,862</u></u>

(b) Reserves

	Acquisition \$US	Share based payments \$US	Foreign currency translation US\$	Total \$US
At 1 January 2016	(4,300,157)	7,601,285	144,443	3,445,571
Other comprehensive loss for the year	-	-	(92,356)	(92,356)
At 31 March 2016	<u>(4,300,157)</u>	<u>7,601,285</u>	<u>52,087</u>	<u>3,353,215</u>

	Acquisition \$US	Share based payments \$US	Foreign currency translation US\$	Total \$US
At 1 January 2015	(4,300,157)	7,601,285	(101,433)	3,199,695
Other comprehensive loss for the year	-	-	(46,148)	(46,148)
At 31 March 2015	<u>(4,300,157)</u>	<u>7,601,285</u>	<u>(147,581)</u>	<u>3,153,547</u>

(c) Accumulated losses

	\$US
At 1 January 2016	(35,091,165)
Net loss for the year	(1,157,210)
At 31 March 2016	<u>(36,248,375)</u>
	\$US
At 1 January 2015	(25,853,389)
Net loss for the period	(1,297,562)
At 31 March 2015	<u>(27,150,951)</u>

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2016

Unaudited – Prepared By Management

6. RELATED PARTY DISCLOSURE

(a) Controlling Entity

The ultimate controlling entity of the wholly owned group is RTG Mining Inc.

(b) Other transactions with related parties

Transactions with related parties

Transactions with related parties consist of companies with directors and officers in common and companies owned in whole or in part by executive officers and directors as follows for the three months ended March 31, 2016 and 2015:

Name	Nature of transactions
Coverley Management Services Pty Ltd	Consulting as Director

The Company paid the following fees in the normal course of operation in connection with companies owned by directors.

	Three months ended December 31,	
	2016	2015
Directors fees	12,597	12,737
Total	12,597	12,737

During the period ended 31 March 2016, the Group entered into transactions with related parties within the Group:

- loans of \$626,628 were advanced on to associates of the Company.

These transactions were undertaken on the following terms and conditions:

- loans are repayable at call; and
- no interest is payable on the loans at present.

7. COMMITMENT AND CONTINGENCIES

31 March 2016		Payments due by period			
Contractual obligations	Total	Less than 1 year	1-3 years	4-5 years	More than 5 years
Lease obligations ¹	51,638	51,638	-	-	-
Total contractual obligations	51,638	51,638	-	-	-

¹ Corporate office lease payments due.

31 December 2015		Payments due by period			
Contractual obligations	Total	Less than 1 year	1-3 years	4-5 years	More than 5 years
Lease obligations ¹	103,275	103,275	-	-	-
Total contractual obligations	103,275	103,275	-	-	-

¹ Corporate office lease payments due.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2016

Unaudited – Prepared By Management

8. SEGMENT REPORTING NOTE

The Company's operations are segmented on a regional basis and are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been defined as the Chief Executive Officer.

The Company operates in a single segment, being mineral exploration and development. With the exception of its some of its minor exploration and evaluation assets which are held in Africa, all of the Company's other significant assets are held in the Philippines.

The following is the geographical locations of the Company's assets:

31 March 2016	Philippines 2016	Australia 2016	Other 2016	Consolidated Total 2015
	US\$	US\$	US\$	US\$
Segment assets				
Corporate assets	88,423,838	3,724,662	13,648	<u>92,162,148</u>
Total assets as per statement of financial position				<u>92,162,148</u>
Segment liabilities				
Corporate liabilities	-	(348,446)	-	<u>(348,446)</u>

31 December 2015	Philippines 2015	Australia 2015	Other 2015	Consolidated Total 2015
	US\$	US\$	US\$	US\$
Segment assets				
Corporate assets	88,272,829	5,170,008	15,137	<u>93,457,974</u>
Total assets as per statement of financial position				<u>93,457,974</u>
Segment liabilities				
Corporate liabilities	-	(394,706)	-	<u>(394,706)</u>

9. PROPERTY, PLANT & EQUIPMENT

Plant & Equipment	31 March 2016	31 December
	US\$	2015
		US\$
<i>Office equipment</i>		
Opening balance	202,611	230,670
Additions	-	680
FX	4	(689)
Disposals	-	-
Depreciation expense	(7,316)	(28,050)
At 31 December, net of accumulated depreciation	<u>195,299</u>	<u>202,611</u>

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2016

Unaudited – Prepared By Management

10. INVESTMENT IN ASSOCIATES

(a) Acquisition of interest

On 4 June 2014, RTG completed the implementation of the Schemes pursuant to the terms of the previously-announced Scheme Implementation Deed dated February 24, 2014 (the “Deed”) between RTG and Sierra Mining Limited (“Sierra”) to acquire all of the outstanding securities of Sierra.

Pursuant to the Schemes, RTG has acquired a 40% interest in each of Mt Labo Exploration & Development Corporation, St Ignatius Exploration and Mineral Resources Corporation, Bunawan Mining Corporation and Oz Metals Exploration and Development Corporation. As the acquisition of Sierra is not deemed a business acquisition, the transaction must be accounted for as a share based payment for the net assets acquired.

The consideration payable was 79,063,206 RTG shares and 8,784,854 RTG listed options. Details of the fair value of the assets and liabilities acquired as at 4 June 2014 are as follows:

<i>Purchase consideration comprised</i>	31 December 2014 US\$
79,063,206 shares*	79,737,140
8,784,854 listed options*	4,462,085
Total consideration	84,199,225
Costs associated with acquisition	1,093,842
	85,293,067

*Share issue price C\$1.10, option issue value C\$0.554
(This was the closing price on issue of 4/6/2014)

Net assets acquired

	Recognised at acquisition US\$	Carrying value US\$
Cash and cash equivalents	1,327,666	1,327,666
Trade and other receivables	349,013	349,013
Investment in associates	83,989,104 ⁽¹⁾	1,366,798
	85,665,783	3,043,477
Trade and other payables	(372,716)	(372,716)
Fair value of identifiable net assets	85,293,067	2,670,761

Cash inflow on acquisition

Net cash at acquisition date	1,327,666
Direct costs related to acquisition	(1,093,842)
	233,824

⁽¹⁾ Investment in associate at 31 December 2014

	31 March 2016 US\$	31 December 2015 US\$
Opening balance	80,650,232	83,197,341
Share of associates net loss	(329,196)	(2,918,461)
Share of foreign currency translation reserve	(146,422)	371,352
	80,174,614	80,650,232

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2016

Unaudited – Prepared By Management

10. EVENTS AFTER BALANCE SHEET DATE

The Company has set its Annual General Meeting for Shareholders for May 19, 2016 at 10.30am and on May 3, 2016 the Company released its NI43-101 Technical Report for its Mabilo Copper-Gold Project in the Philippines.

Other than above, no other significant events have occurred subsequent to balance sheet date that would have a material impact on the consolidated financial statements.